DEPARTMENT OF STATE

Iraq Weekly Status Report

UNCLASSIFIED

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Highlights

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1.0 Neutralize the Insurgents

- Iraq and Coalition forces continue operations to neutralize the insurgents.

2.0 Ensure the Continuation of Support for Iraq's Electoral Process through 2005

- Certified elections results and TNA seat allocations were announced on Feb. 17.

- The United Iraqi Alliance announced Ibrahim Ja'afari as its candidate for Prime Minister.

3.0 Create Jobs and Provide Essential Services

- USAID supported UNICEF's delivery of more than 198,000 secondary school student kits providing basic supplies for learning to 12 regional directorates of education.

Highlights

4.0 Establish Foundations for a Strong Economy

- The Ministry of Finance auctioned ID 150 billion ($102.7 million) in T-bills on February 21; the settlement yield was 3.0 percent. The Iraqi T-bill auction settlement yields have fluctuated between 1.1 percent and 6.0 percent over the last three months.

5.0 Establish Good Governance, Rule of Law

- A USAID implementing partner has begun to receive grant submissions from Iraqi civil society organizations (CSO) to support efforts to increase women's participation in the constitutional process.

6.0 Maintain International Engagement and Support

- At a meeting at NATO on February 22, all 26 Allies agreed to contribute to NATO's training of Iraqi security forces, either in Iraq, outside of Iraq, through financial contributions, or donations of equipment.

- In a February 22 statement, the US and EU announced readiness to host an international conference to coordinate assistance to Iraq.

[1.0] Neutralize the Insurgents – Iraqi Security Forces Update

Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	55,629
HIGHWAY PATROL	
OTHER MOI FORCES	26,805
TOTAL	82,434*

Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	56,954
AIR FORCE	186
NAVY	518
TOTAL	57,658**

Total Trained & Equipped ISF:

140,092

* Ministry of Interior Forces: Unauthorized absences personnel are included in these numbers

** Ministry of Defense Forces: Unauthorized absences personnel are not included in these numbers

[2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – Developments

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Election Outcomes/Developments:

- On February 17, the IECI announced the certified results and Transitional National Assembly seat allocations. The United Iraqi Alliance received 140 seats, followed by the Kurdistan Alliance List (75 seats), Prime Minister Allawi's Iraqi List (40 seats), and President al-Yawar's Iraqis List (5 seats). Eight other small parties won the remaining 20 seats.

- On February 22, the United Iraqi Alliance announced Ibrahim Ja'afari as its candidate for Prime Minister.

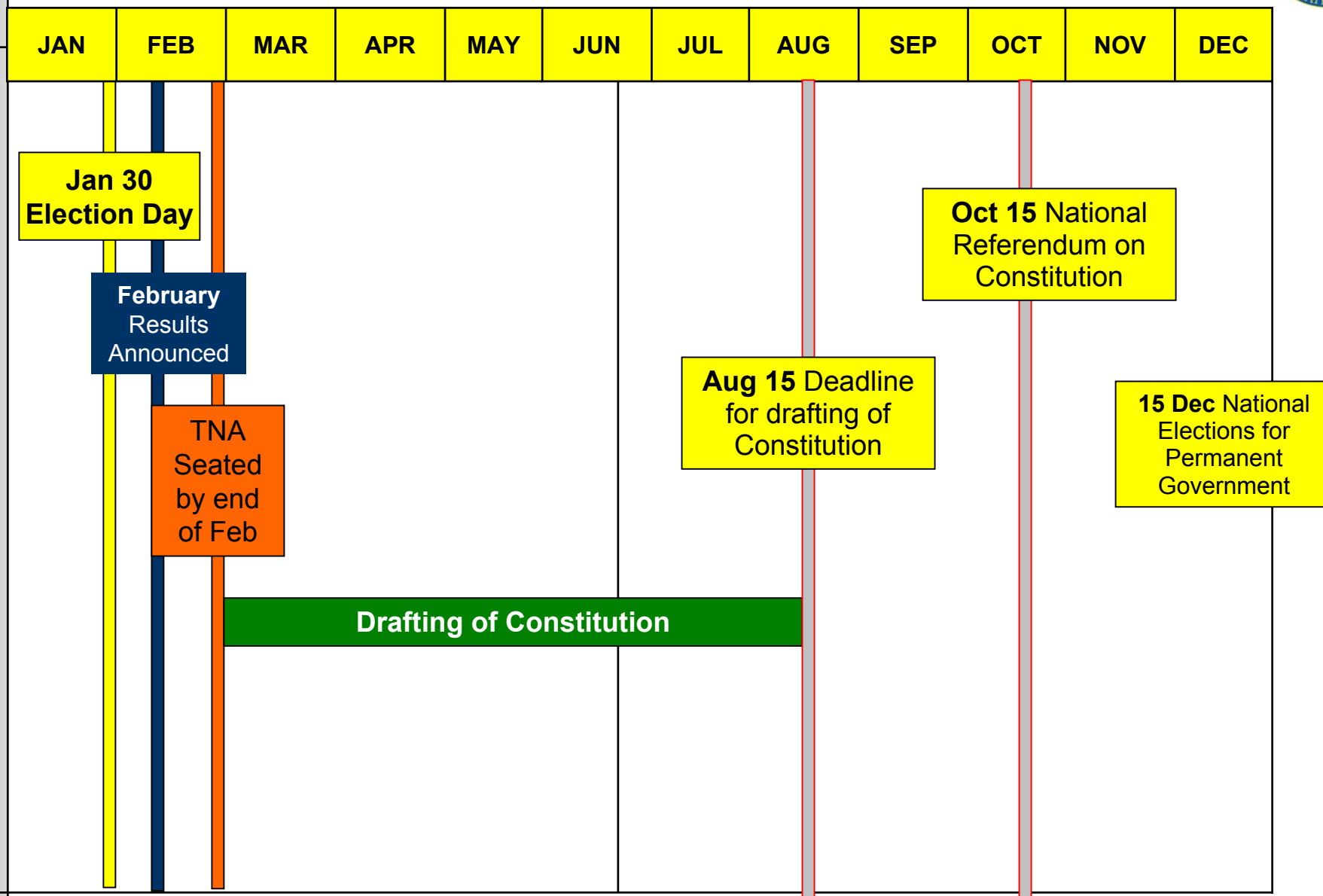| TNA List	Seats in TNA
United Iraq Alliance	140
Kurdistan Alliance List	75
Iraqi List	40
Iraqis	5
Iraqi Turkman Front	3
National Independent Cadres and Elites	3
National Union	2
Islamic Group of Kurdistan/Iraq	2
Islamic Action Organization in Iraq/Central Direction	2
National Democratic Alliance	1
Al Rafideen National List	1
Liberation and Reconciliation Gathering	1
TOTAL	275

[2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – Developments

Transitional National Assembly (TNA):

- The TNA will:

  - Serve as Iraq's national legislature until the election of a new government under a permanent constitution.

  - Approve a Presidency Council, consisting of a president and two deputy presidents, by a two-thirds vote. The Presidency Council will then appoint a Prime Minister. The Prime Minister and his Council of Ministers must receive a vote of confidence in the Assembly by a simple majority.

  - According to the Transitional Administrative Law, the TNA is to draft Iraq's new Constitution by August 15, 2005; this will be presented to the Iraqi people for their approval in a national referendum by October 15, 2005.

  - If it is approved, an election for a permanent Iraqi government under that new Constitution will occur by the end of 2005.

[2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – Electoral Process Timeline

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Jan 30 Election Day

February Results Announced

TNA Seated by end of Feb

Aug 15 Deadline for drafting of Constitution

Oct 15 National Referendum on Constitution

15 Dec National Elections for Permanent Government

Drafting of Constitution

[3.0] Create Jobs and Provide Essential Services – Economy

Oil Update:

- Crude oil prices in world markets for the week ending February 18 closed with Kirkuk Crude at $37.61/barrel, Basra Light at $37.70/barrel, and the OPEC basket at $42.08/barrel.

Employment Update:

- Number of Iraqis employed by USG-administered projects in each sector

Employing Organization	Iraqis Last Week	Iraqis This Week	% Change on Week
PCO (Project and Contracting Office)	18,898	22,715	20.2%
USAID	56,922	58,053	2.0%
AIRP (Accelerated Iraqi Reconstruction Program)	5,352	5,152	-3.7%
MILCON (Military Construction)	734	863	17.6%
*CERP (Commanders' Emergency Response Program)	33,671	33,671	0.0%
MNSTC-I	4,035	12,612	212.6%
IRRF NON-CONSTRUCTION	13,229	13,328	0.7%
GRAND TOTAL	132,841	146,394	10.2%

*CERP numbers are from the latest GRD Sitrep

Data as of February 23, 2005

[3.0] Create Jobs and Provide Essential Services – Health Care and Food Security

Job Creation:

- Since 2004, USAID's Agriculture Reconstruction and Development Program for Iraq (ARDI) has created 5,809 full-time and temporary jobs through an agriculture program targeting government and non-government organizations for the building of national and local capacity.

  – ARDI has awarded 71 grants worth $4.28 million to support development and economic growth in the agriculture sector.

  – To date, 465 women and 889 men have received permanent employment; 440 women and 4,120 men have increased family income through temporary employment as a result of ARDI grants.

Health Care:

- There are currently 83 primary health centers (PHC) under construction by PCO. Ten projects have passed the 25 percent completion mark.

- There are currently 19 hospitals under renovation.

Public Distribution System (PDS):

- For February, Iraq is projected to receive 100 percent of the monthly requirement for wheat and 81 percent of the requirement for rice, which is contingent upon on-time arrivals and distribution.

[3.0] Create Jobs and Provide Essential Services–Education

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Education:

- PCO has completed 183 school renovations to date; an additional 430 are under construction. 800 schools are scheduled for completion by mid-2005.

- USAID recently completed the seven-month rehabilitation of a Girls' Vocational School in Karbala Governorate through a cooperative effort between the local community and the Community Action Program (CAP).

  – The school, the only of its kind in the city, provides commercial vocational training to nearly 1,000 students in fields such as accounting and sewing.

- USAID supported UNICEF's delivery of more than 198,000 secondary school student kits providing basic supplies for learning to 12 regional directorates of education.

  – By the end of the program, more than 525,000 students in 2,014 schools in all 21 Directorates of Education will receive kits.

  – In the past two years, USAID partners distributed more than 900,000 kits to primary school students and 1.5 million kits to secondary school students.

  – USAID also supported UNICEF's distribution of 18,000 recreation kits to primary and secondary schools.

[3.0] Create Jobs and Provide Essential Services – Water and Sanitation and Telecommunications

Water and Sanitation:

- The Iraq Project and Contracting Office (PCO) Small Water System Rehabilitation is underway and includes multiple small potable water projects awarded to local contractors and local water authorities throughout Iraq.

- A total of 24 potable water system projects are currently underway.

- Work is 66 percent complete to rehabilitate the water and sewage treatment facilities serving rural, north-central Diyala Governorate.

  – After rehabilitation and expansion, the plant will serve the governorate's 60,000 residents. The project is scheduled to be completed in May 2005.
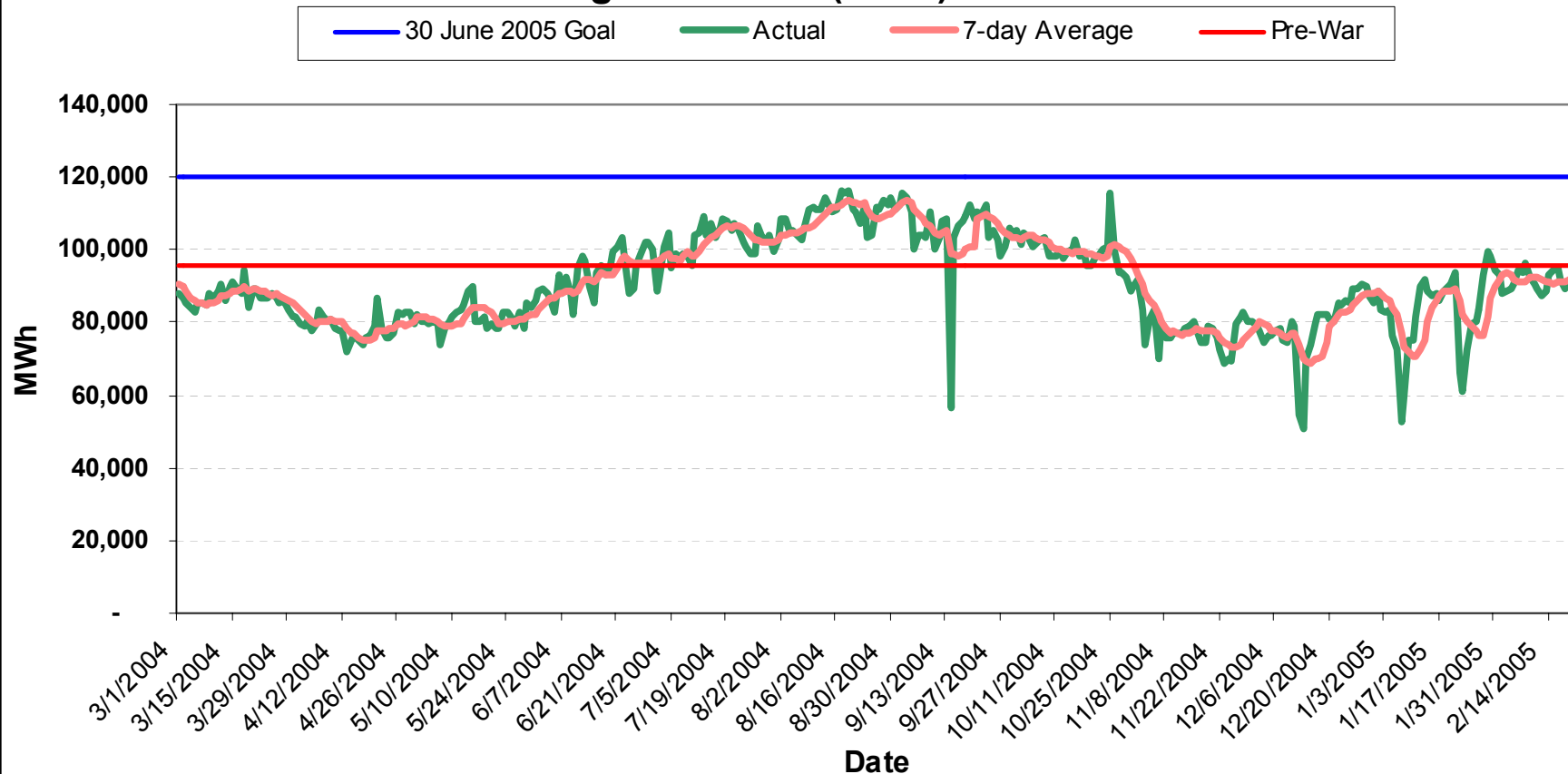
Telecommunications:

- Advanced First Responder Network (AFRN) is on-track for the scheduled June 30 completion date. All base stations are on line in Baghdad, and an additional 50 base stations will be constructed to service 15 other cities.

- The number of telephone landline subscribers throughout Iraq is 982,561, and the number of cell phone subscribers is 1,586,549. This combined total of 2,569,110 is 208 percent greater than the number of active landline subscribers before the war.

[3.0] Create Jobs and Provide Essential Services – Electricity Overview

Megawatt-Hour (MWh) Load Served

Legend: —— 30 June 2005 Goal —— Actual —— 7-day Average —— Pre-War

- Electricity load served in the last week (February 14-20) hovered near 92,400 MWh. Hours of available power averaged 10.6 hours in Baghdad.
- Peak demand has started to decrease with more moderate seasonal temperatures.
- Unplanned and planned outages continue to be relatively low. At the end of the week, there were 777 MW and 873 MW, respectively.

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[4.0] Establish Foundations for a Strong Economy

<u>USAID's Private Sector Development II (PSD II) Program</u>:

- USAID's Private Sector Development II (PSD II) program coordinates with Iraqi government officials and private sector representatives to develop the private sector.

    – Activities include restructuring of state-owned enterprises; investment promotion; trade policy and market access; development of business management skills; capital markets development; and expanding opportunities for micro, small, and medium enterprises.

[4.0] Establish Foundations for a Strong Economy

<u>Iraq Currency Exchange</u>:

- At the New Iraqi Dinar (NID) auction on February 21, the settlement price was 1,460 dinars per USD with a total of 16 banks trading. The following table shows the purchase value of the top five banks:
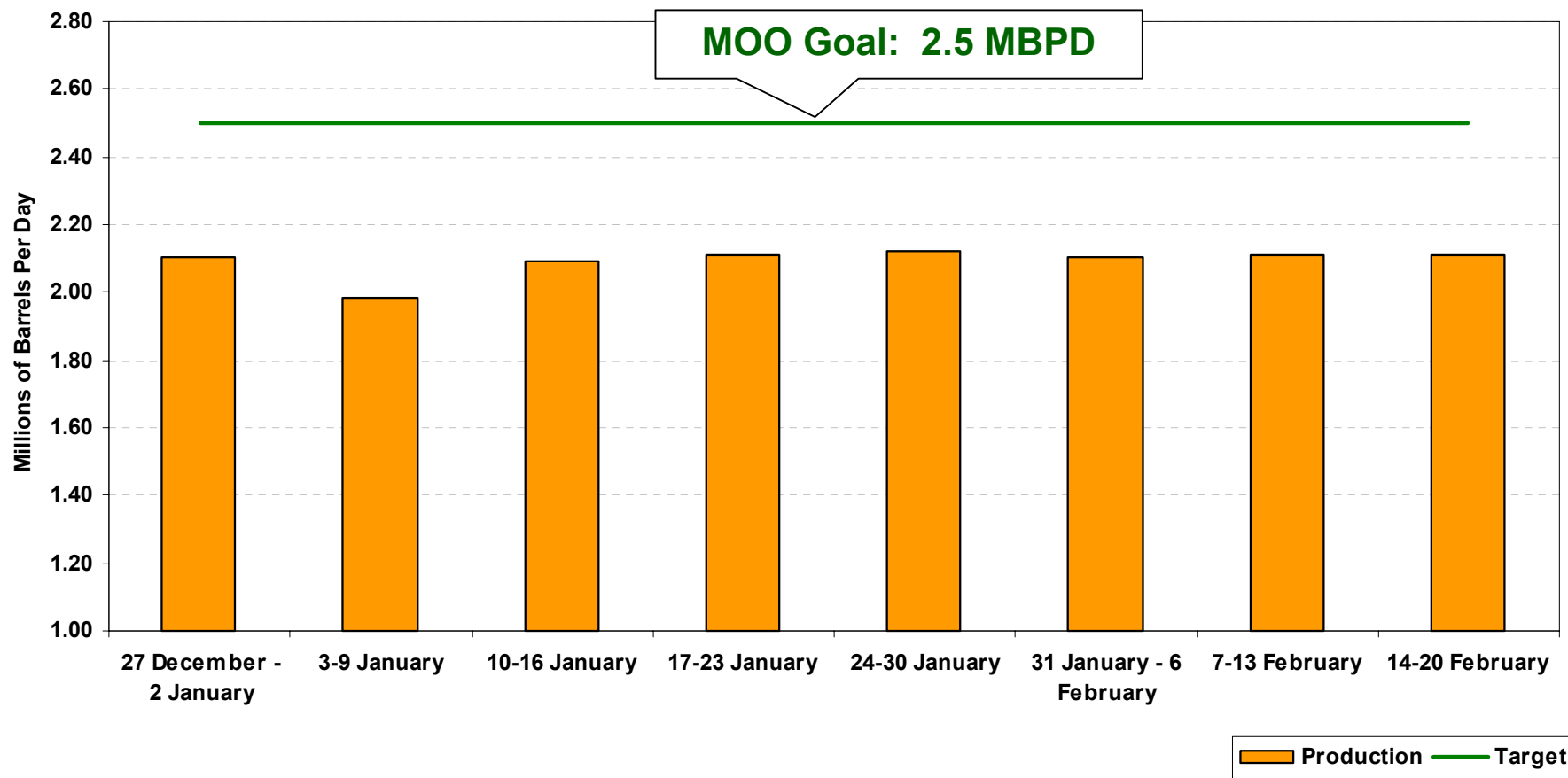
Bank Name	Quantity Sold (in thousands of dollars)	Percentage of Total Auction
Al-Warkaa Bank	3,000	21.09%
Agriculture Bank	2,110	14.83%
United Bank	2,000	14.06%
Islamic Bank	1,300	9.14%
Al-Rasheed	1,120	7.87%
Total	9,530	66.99%

- The Ministry of Finance (MOF) auctioned ID 150 billion (about $102.7 million) in T-Bills on February 21; the settlement yield was 3.0 percent with 4 banks offering winning bids. The following shows the results of the previous 6 auctions:

No. of Auction	Date of Auction	Amount of Issue	Term of Security (in days)	Maturity Date	Number competitive Bidders	Winning Bidders	Total Competitive Awarded	Bid Range Yields	Cut Off yield	Amount Sold
1	11/7/2004	150.010	91	2/7/2005	12	7	145.510	1.00% - 3.30%	1.10%	150.010
2	11/21/2004	150.010	91	2/20/2005	6	6	147.010	1.00% - 5.00%	1.20%	150.010
3	12/5/2004	124.550	91	3/7/2005	4	4	122.800	2.50% - 6.00%	6.00%	124.550
4	12/19/2004	200.030	91	3/21/2005	12	12	196.730	2.50%-10.00%	6.00%	200.030
5	1/16/2005	100.030	91	4/18/2005	11	9	97.530	3.00% - 6.80%	5.50%	100.030
6	2/6/2005	100.040	91	5/9/2005	11	7	96.940	3.00% - 7.00%	5.00%	100.040
7	2/20/2005	150.020	91	5/23/2005	10	4	145.520	3.00 %- 7.00%	3.00%	150.020

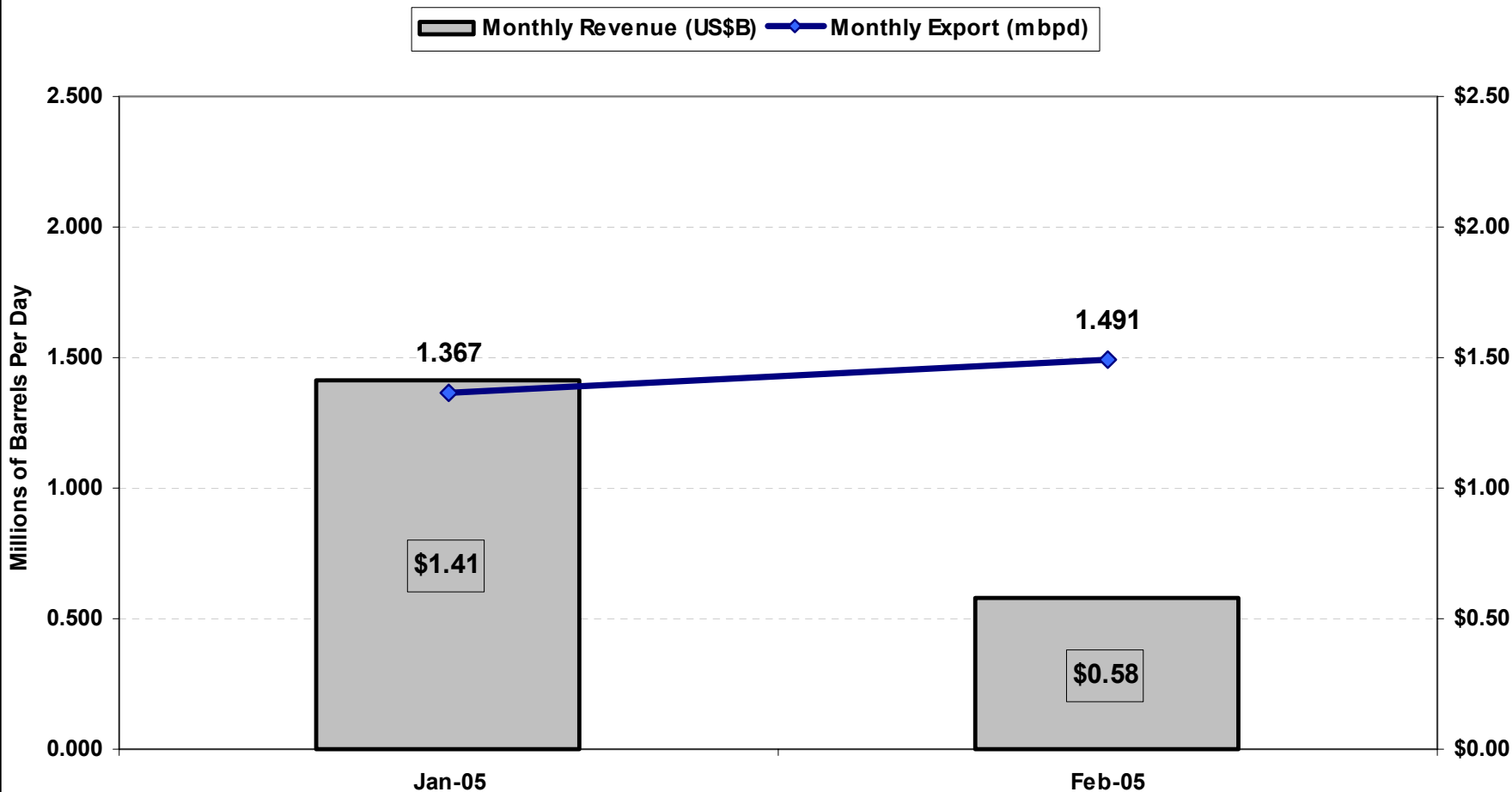# [4.0] Establish Foundations for a Strong Economy – Crude Oil Production

- Weekly Average (February 14 – 20) of 2.11 MBPD

- Pre-War Peak: 2.5 MBPD in Mar 03

- Post-War Peak: 2.67 MBPD

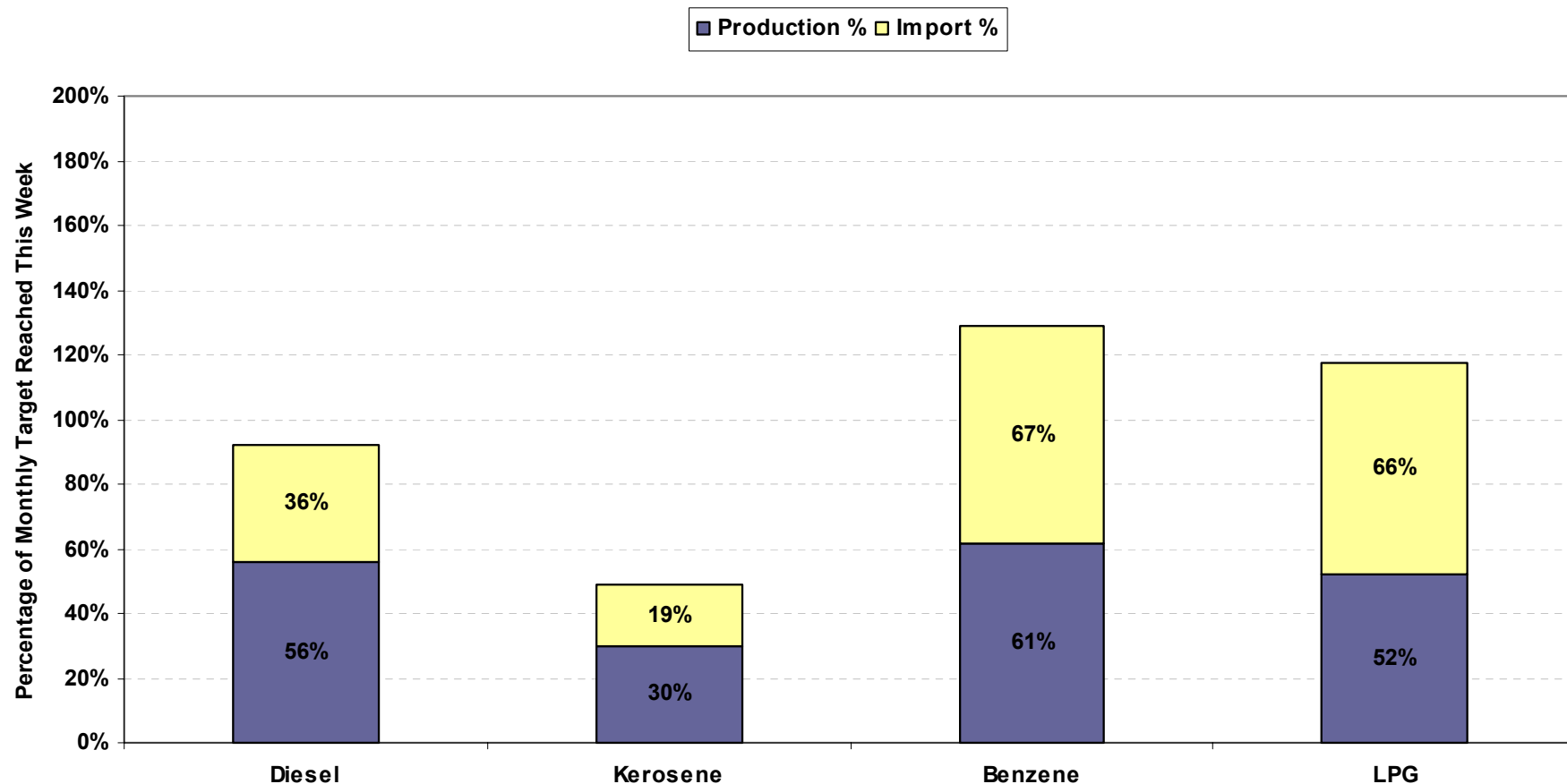# [4.0] Establish Foundations for a Strong Economy – Crude Oil Export

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- 2003 Revenue: $5,076.6M
- 2004 Revenue: $17,012.3M
- 2005 Revenue: $2,450.8M

[4.0] Establish Foundations for a Strong Economy – Refined Products

Legend: ■ Production % □ Import %

Chart — Percentage of Monthly Target Reached This Week:

- Diesel: Production 56%, Import 36%
- Kerosene: Production 30%, Import 19%
- Benzene: Production 61%, Import 67%
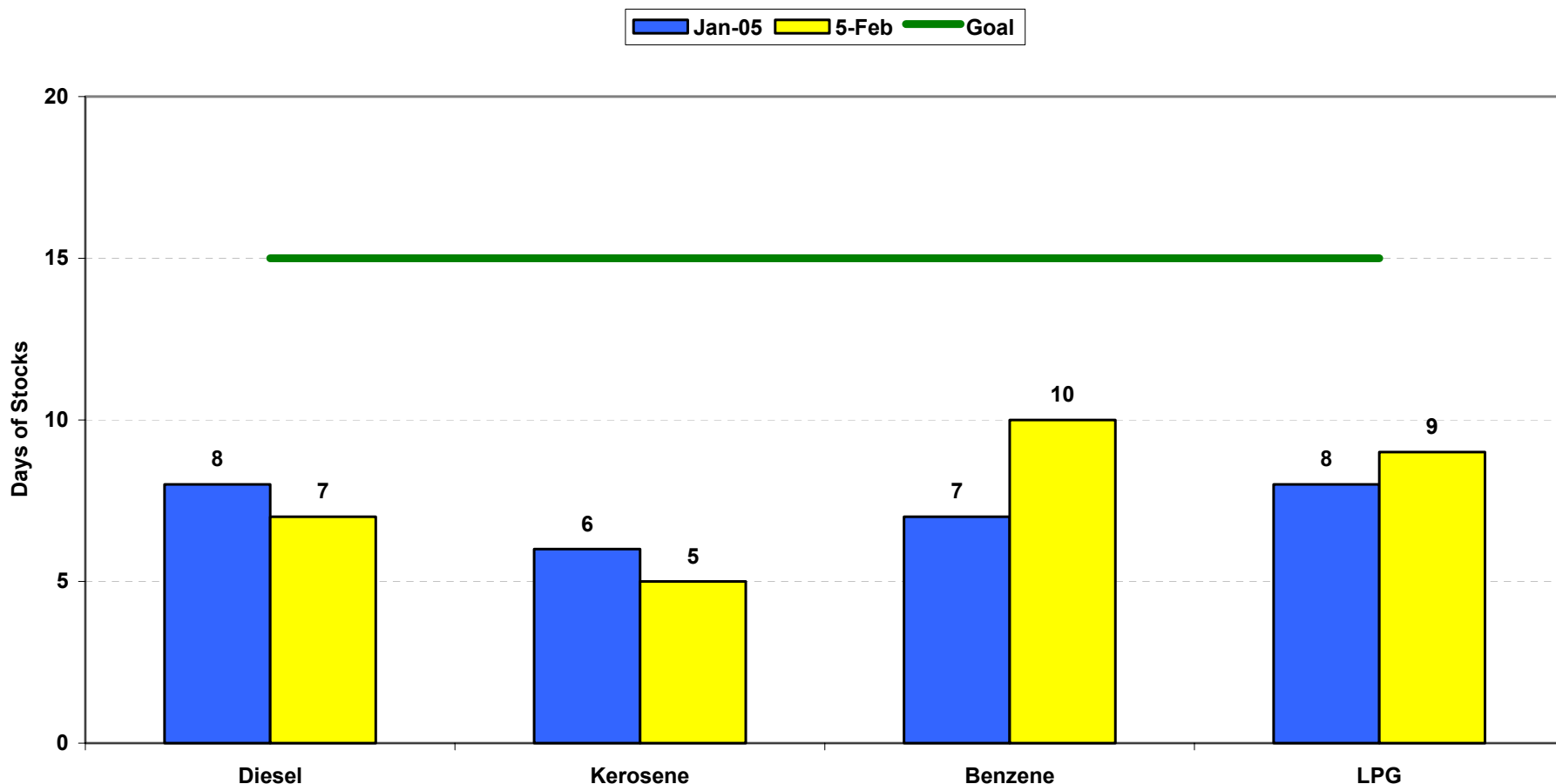- LPG: Production 52%, Import 66%

Note: This chart represents the average percentage of daily target reached for the week of February 7-13

- Diesel: 16.1 ML of 17.5 ML
- Kerosene: 9.6 ML of 19.5 ML
- Benzene: 23.1 ML of 18 ML
- LPG: 5,058 tons of 4,300 tons

[4.0] Establish Foundations for a Strong Economy – National Stock Levels

Legend: Jan-05 · 5-Feb · Goal

Chart — Days of Stocks (Y-axis 0 to 20):

Product	Jan-05	5-Feb	Goal
Diesel	8	7	15
Kerosene	6	5	15
Benzene	7	10	15
LPG	8	9	15

• The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates and does not represent seasonal change. The numbers given above are monthly averages.

[4.0] Establish Foundations for a Strong Economy – IRRF I & II Financials

Financial Status-IRRF I & II			Committed		Obligated		Disbursed	
Sector	2207 Report	Apportion	Last Week	Current	Last Week	Current	Last Week	Current
Security and Law Enforcement	5045	5045	4602	4590	3508	3532	1507	1507
Electricity Sector	4369	4077	3480	3525	2717	2749	770	813
Oil Infrastructure	1701	1701	1436	1432	936	929	156	147
Justice, Public Safety, and Civil Society	1120	1120	958	970	687	960	169	170
Democracy	832	832	751	751	661	661	216	217
Education, Refugees, Human Rights, Governance	379	379	252	252	223	226	61	61
Roads, Bridges, and Construction	359	355	273	340	178	185	37	41
Health Care	786	786	682	668	457	473	36	31
Transportation and Communications	513	513	457	486	323	325	36	37
Water Resources and Sanitation	2279	1770	1302	1694	907	936	54	69
Private Sector Development	843	835	803	803	710	757	426	427
Admin Expense (USAID)	213	29	29	29	29	29	29	29
IRRF II SUBTOTAL	18439	17442	15025	15540	11336	11492	3497	3549
IRRF II CONSTRUCTION	11306	10378	8782	9282	6538	6606	1570	1600
IRRF II NON-CONSTRUCTION	6301	6232	5492	5507	4137	4225	1711	1732
IRRF II DEMOCRACY	832	832	751	751	661	661	216	217
IRFF I SUBTOTAL	2475	2475	2475	2475	2475	2475	2150	2150
GRAND TOTAL IRRF I & II	20914	19917	17500	18015	13810	13967	5647	5699

Data as of February 23, 2005

No data received from OPIC or USIP this week; changes driven by actions on obligations
Data reported in millions of dollars

[5.0] Establish Good Governance, Rule of Law – **Refugees, Democracy and Human Rights**

Democracy and Governance:

- A USAID implementing partner has begun to receive grant submissions from Iraqi civil society organizations (CSO) to support efforts to increase women's participation in the constitutional process. More specifically, the grant programs will support CSOs that focus on women's issues in a democracy, the political awareness of women and the involvement of women in Iraqi political life. The implementing partner has also begun the development of a Constitutional Toolkit to assist political parties in using the constitutional process as a public outreach mechanism and an opportunity to engage voters directly in the public debate on the constitution.

Internally Displaced Persons:

- Staff from USAID's Community Action Program (CAP) recently conducted a quick survey of displaced Fallujah families in the areas outside of Baghdad city. This survey included tallying the numbers of the families, verifying this number according to the ration cards, and assessing their urgent needs. Based on the results, it was decided that the most urgent needs were in the villages because of their poor conditions and lack of resources.

[5.0] Establish Good Governance, Rule of Law – Refugees, Democracy and Human Rights

Rule of Law:

he Iraqi Council of Judges plans to play a leading role in the Justice Integration Project. The Justice Integration Project will reform all elements of the Iraqi criminal justice system at the policy level, the procedural level, and the linkages between police, prosecutors/defense attorneys, judiciary, and corrections.

– 1st Cavalry expressed interest in supporting the Justice Integration Project. They suggest outfitting police stations in Baghdad with computers, internet capacity, and computer training.

[6.0] Maintain Int'l Engagement & Support – **Developments**

- At a meeting at NATO on February 22, all 26 Allies agreed to contribute to NATO's training of Iraqi security forces, either in Iraq, outside of Iraq, through financial contributions, or by donations of equipment.

- In a February 22 statement, the US and EU announced readiness to host an international conference to coordinate assistance to Iraq.

- Prime Minister John Howard announced Australia will deploy an additional 450 calvary, infantry, and training personnel to provide security for Japanese engineering and support teams and to train Iraqi security forces.

  - Australian Foreign Minister Alexander Downer stated, "…we just cannot afford to allow Iraq to fail. We cannot allow the insurgents to succeed in destroying the new emerging democracy in Iraq."

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[6.0] Maintain Int'l Engagement & Support – Stability Contributors

27 **Countries with forces in Iraq (in addition to US)**

Albania	El Salvador	Latvia	Poland
Armenia	Estonia	Lithuania	Portugal
Australia	Georgia	Macedonia	Romania
Azerbaijan	Italy	Moldova	Slovakia
Bulgaria	Japan	Mongolia	Ukraine
Czech Rep	Kazakhstan	Netherlands	UK
Denmark	Korea	Norway	

*Note: Fiji participating as a part of the UN mission in Iraq

TOTAL ~ 25,000 Forces

28 Countries and NATO
(including US)
Support Iraqi Stability Operations

Iraq Weekly Status – General Information

D E P A R T M E N T O F S T A T E

- This brief draws from multiple sources. References are cited on the respective pages in the "Notes Page" section (View → Notes Page).

- Please forward all questions and/or comments to (unclassified) NEA-I-IPOG-DL@state.gov or (classified) NEA-I-IPOG-DL@state.sgov.gov